

Consulting Agreement

This Consulting Agreement, ("Agreement") is effective as of the 1st day of July, 2018, (the "Effective Date") between the South Central Trust (the "Client") and USI Insurance Services (the "Consultant").

WHEREAS, Client wishes to obtain the services of Consultant set forth herein; and

WHEREAS, Consultant wishes to provide such services, on the terms and conditions set forth herein.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereby agree as follows:

1. Scope of Services to be Provided by Consultant

The Trust management and Trust consulting services to be provided by Consultant to Client, are set forth in Exhibit 1 attached hereto and made a part hereof (the "Services").

2. Disclosure and Record Keeping

A. **Full Disclosure.** Client has the right to approve any arrangements and/or the utilization of any intermediaries in connection with, or arising out of, or in any way related to Client's insurance program. Consultant must seek approval from Client prior to the use of any of the above in connection with the Client's insurance program.

B. **Record Keeping.** Consultant will maintain accurate and current files including, but not limited to, insurance policies and correspondence with insurers in accordance with industry standard record retention practice or as otherwise directed by Client.

3. Term & Termination

A. **Term.** This term of this Agreement shall be commencing on the Effective Date, and will remain in effect for an initial term of three (3) years. Thereafter, this Agreement will remain in effect until terminated as described below.

B. **Termination.** This Agreement may be terminated only as follows:

a) A party may terminate this Agreement in the event of a material breach by the other party of its obligations under this Agreement, which breach is not cured within thirty (30) days from such party's receipt of notice of thereof, provided that if such breach is of a nature that it may not reasonably be cured in such thirty (30) day period, the party receiving notice shall have commenced and diligently pursued the cure within such period;

b) After the Initial Term, a party may terminate this agreement effective upon sixty (60) days advance written notice to the other party given with or without reason; or

c) The parties may terminate this Agreement by mutual written agreement.

4. Cost of Services

The fees for the Services and payment terms are set forth on Exhibit 2 attached hereto and made a part hereof (the "Fees").

5. Personnel

Consultant will assign its personnel according to the needs of client and according to the disciplines required to complete the appointed task in a professional manner. Consultant retains the right to substitute personnel with reasonable cause.

6. Client's Responsibilities and Limitation of Liability

Client will make available such information and personnel as may be reasonably required for Consultant to perform the Services. Client acknowledges that in performing the Services, Consultant will be relying on the information provided by, and on all decisions and approvals of, Client and Client's employees and representatives. Accordingly, Client agrees that Consultant shall not be liable for any Claim relating to any error, omission or other inaccurate information provided by Client, its employees or representatives. Except to the extent finally determined to have resulted from Consultant's gross negligence or intentional misconduct, Consultant's aggregate liability to pay damages for all claims, losses, liabilities or damages in connection with this Agreement or the Services (each, a "Claim"), regardless of the theory of liability asserted, is limited to no more than the total amount of fees paid to Consultant for the twelve (12) month period prior to the date the Claim is made. The parties acknowledge that this limitation on liability is an express part of the bargain between them is a controlling factor in the setting of the fees paid to Consultant, and shall be enforceable to the fullest extent permitted by law.

7. Records and Information

Consultant understands and agrees to limit its use and disclosure of protected health information as described in the Business Associate Agreement attached hereto and made a part hereof as Exhibit 3.

8. Independent Contractor

It is understood and agreed that Consultant is engaged by Client to perform services under this Agreement as an independent contractor. Consultant shall use its best efforts to follow written, oral, or electronically transmitted (i.e., sent via facsimile or e-mail) instructions from Client as to policy and procedure.

9. Fiduciary Responsibility

Client acknowledges that: (i) Consultant shall have no discretionary authority or discretionary control respecting the management of any of the employee benefit plans; (ii) Consultant shall exercise no authority or control with respect to management or disposition of the assets of Client's employee benefit plans; and (iii) Consultant shall perform services pursuant to this Agreement in a non-fiduciary capacity. Client agrees to notify Consultant as soon as possible of any proposed amendments to the plans' legal documents to the extent that the amendments would affect Consultant in the performance of its obligations under this Agreement.

10. Confidentiality

In its performance of the Services, Consultant, its affiliates, or subcontractors may be given, or have access to, the confidential information of Client consisting of the private, non-public personal financial and health information of members, the terms of insurance agreements, health care plan costs, employee contributions, information or data from systems, books or records provided to Consultant to perform services herein.

In receiving the Services, Client may be given, or have access to, the confidential and proprietary information of Consultant and its vendors, disclosed orally, in writing or by any other media, which information shall include products, technology, computer programs, manuals, business plans, software, web site content and pass codes, data, documentation and materials and other information of Consultant or its other vendors, whether received prior to, on or after the date of this Agreement, and whether or not protected by a patent or copyright. Client acknowledges and agrees that all intellectual property, including computer systems and software, developed or used by Consultant or its vendors to provide Services shall remain the property of Consultant or its vendors. Nothing contained in this Agreement shall confer to Client any property rights, proprietary interest, or license in the intellectual property of Consultant or its vendors.

With regard to the confidential and propriety information of each of the parties as described above, each party agrees, with regard to the other party's information, to: (a) keep such information confidential and employ the necessary administrative, physical and technical safeguards to secure this information; (b) restrict disclosure of such information solely to its officers, employees, affiliates and agents with a need to know the information for purposes of the business dealings between Client and Consultant; (c) not reveal to any other person or copy such information without the approval of the disclosing party; and (d) use such information solely for purposes of the business dealings between Client and Consultant and not in any way directly or indirectly detrimental to the disclosing party.

For purposes of the restrictions set forth in this Section, confidential and proprietary information shall not include the following information: (a) information that is in the public domain; (b) information lawfully obtained from a third party; or (c) information disclosed as required by law, regulation or administrative body.

The parties agree that, because a breach of this confidentiality provision will cause irreparable harm that will not be adequately compensated for by money damages, the non-breaching party shall have the right to obtain an injunction in a court of competent jurisdiction.

11. Entire Agreement

This constitutes the entire Agreement between the parties, and any other warranties or agreements are hereby superseded.

Subsequent amendments to this Agreement shall only be in writing signed by both parties.

[Signature Page Follows]

[Signature Page to Consulting Agreement]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Date.

South Central Trust

Roger Carl
Signature
President
Title

July 2, 2018
Date

USI Insurance Services

[Signature]
Signature
Senior Vice President, Practice Leader, Benefits Consulting
Title

July 2, 2018
Date

Practice Leader Signature
Practice Leader Signature
Title
Title

Date
Date

Exhibit 1 - Scope of Services

The following services will be provided to the South Central Trust by USI Insurance Services, as follows:

Trust Management Services

- **Trust Management Operations**
 - Day-to-day management and supervision of the operation of the Trust
 - To act on behalf of the Trustees as the chief administrator of the Trust
 - To execute the policies established by the Trustees, and other management functions assigned and mutually agreed upon
 - To develop meeting agendas for the Trustees, compile information and produce reports for Trust meetings
 - To schedule and make arrangements for Trust meeting locations
 - To manage records for Trust meetings such as minutes, records and contracts
 - To facilitate communication between Trustees and between the Trust, Member LEA and other legal entities
 - To support marketing services to enable the Trust to grow, as the exclusive representative of the Trust for all matters relevant to marketing the Trust
- **Trust Financial Operations**
 - To coordinate activities with the Treasurer of the Trust in order to ensure that financial and transactional records are maintained for the Trust
 - To provide guidance and oversight support of all financial records and transactions of the Trust

Trust Consulting Services

- **Plan Consultation, Design Strategy and Vendor Evaluation**
 - To identify, evaluate and recommend plan administration, vendor and service organizations for Medical/Rx, Dental and Vision coverage and Stop Loss
 - To support Collective Bargaining contract negotiations
 - To develop analyses and recommendations pertaining to
 - Plan Design Change Financial Modeling
 - Employee and Spousal Contribution Strategies
 - Wellness Initiatives
 - Communication Strategies
 - Member Appeals
 - Open Enrollment, Member Education
 - School Board Meeting Support
- **Plan Performance Analysis**
 - To maintain Medical and Rx claims data and utilization reporting
 - To perform and prepare quarterly and annual claims reporting
 - To prepare renewal and budget forecasting

- **Renewal and Negotiations**
 - To evaluate and propose strategic planning initiatives
 - To obtain and evaluate all quotes for vendors and services
 - To negotiate all vendor and service organization rates and contracts
 - To collect, evaluate and report market information
- **Compliance Support**
 - To provide education materials and advice regarding legislative and regulatory compliance rules
 - To provide support for legislative and regulatory filings

Exhibit 2 Fees

The fees for the Services shall be as follows:

\$8.00 per Enrolled Employee per Month

- total to be based on average annual Medical enrollment, determined upon Effective Date and annually thereafter

Invoices for the Services will be submitted on a monthly basis and will be due upon receipt. Upon termination of this Agreement, Client shall be entitled to a refund of an equitable portion of any fees that have been paid with respect to periods of time after termination.

USI Insurance Services is compensated on a zero (0%) commission basis by all insurers that contract on Trust plans.

Should additional plans or services be contemplated, any commissions or fee to be included will need to be disclosed and approved by the Trust prior to the initiation or implementation of the plans or services.

Exhibit 3
Business Associate Agreement
See Attached.